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CMCC Doc. No. 151X5.886

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9 December 1957

Dear Dan:

This letter is in answer to your request of 26 August 1957 in which you asked that we furnish you with the costs of providing Customer Number 2 with field support under Contract [REDACTED]. It is not possible at this time to provide you with actual costs, however, enough of the work has been done so that we can provide you with approximate costs applicable to Customer Number 2. Final costs will not be available until completion of the overhead audit sometime in March 1958.

25X1A

In our proposal dated 26 July 1957 (CMCC Doc. No. 1132X5.133) we stated that it would take [REDACTED] to provide field support under Contract [REDACTED] for the first six months of 1957. Of this amount approximately [REDACTED] is chargeable to Customer Number 2 as shown in the attached exhibit "A". Actual costs correspond closely to this figure. These are charges for the support of System 2 between 1 April 1957 and 30 June 1957. They included the installation in Washington of System 2 equipment for an alternate application, and the testing of the installation; the manning of the Seal Beach station, the design and drafting work attendant to installing the system in an airframe; the cost of training engineers in the theory of operation and maintenance of the airborne and ground equipment; and the installation and operational checkout of base station equipment at overseas sites.

25X1A

In our proposal dated 25 July 1957 (CMCC Doc. No. 1132X5.129) we stated that it would cost [REDACTED] to provide field support under Contract [REDACTED] for the second half of 1957. Of this, the cost of Items 3 and 8, or approximately [REDACTED] is chargeable to the field support of System 2 and 3 for Customer Number 2. This includes states-side work with portable System 2 and 3 equipment; operation and maintenance of System 2 fixed equipment; operation and maintenance of two System 2 fixed stations; and factory support of all field units and fixed stations. Included in this sum is also approximately \$3,500 as a special fund for miscellaneous parts not on the FAK and SLOE lists. Approximately [REDACTED] of actual cost has been incurred against this program through 30 October 1957.

25X1A

25X1A

25X1A

25X1A

25X1A

These costs do not include the cost for the flight test evaluation of System 2 at [REDACTED]

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Sincerely,

Bob

Bob

Approved For Release 2000/04/18 : CIA-RDP81B00878R001400060017-8

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EXHIBIT "A"

Analysis of Portion of [REDACTED] Field Support 25X1A
 Proposal Chargeable to Customer No. 2
 (1 January 1957 through 30 June 1957)

The following portions of exhibit "A" (CMCC Doc. No. 1132X5.133) dated 26 July 1957, proposing field support for System 2 appear to be chargeable to Customer Number 2 for the period of 1 April 1957 through 30 June 1957.

Item 4 - Customer Evaluation of System 2 for New Application

<u>Total proposed (1957)</u>		<u>Chargeable to Customer No. 2</u>	
(man-weeks)		(Man-weeks)	
T	E	T	E
30	27	20	20

Item 5 - Equipment Modifications, Installation and Checkout of

25X1C

T	E	T	E
3	3	3	3

Item 6 - Training of Two Full-Time Field Engineers for Assignment to Overseas Installation, and Support of System 2 Equipment for New Application

E	E
12	8

Totals of Items 4, 5, and 6 (man-weeks)

T	E	T	E
33	42	23	31

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EXHIBIT "A"

Analysis of Portion of [REDACTED] Field Support
 Proposal Chargeable to Customer No. 2
 (1 January 1957 through 30 June 1957)

25X1A

COST ESTIMATE

Labor	Hours	Rate	Amount
Engineers	1,240		[REDACTED]
Technicians	920		[REDACTED]
			25X1A
Overhead Expense at [REDACTED]			25X1A
Direct Charges			
Material	\$300		
Travel	300		
General and Administrative Expense [REDACTED]			
			25X1A
TOTAL ESTIMATED COST			[REDACTED]

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